

# Pulp truth

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**Please copy Pulp Truth front and back and distribute it during non-work time using your Contract Action Teams, steward system or Rapid Response network. Be sure to leave copies in lunchrooms, break rooms, etc. We want to hear what's happening in your workplace. Send your news to [lbaker@usw.org](mailto:lbaker@usw.org)**

## Contracts that Reopen in April

If the re-opener date for your local contract is not listed here, please contact PT editor Lynne Baker at [lbaker@usw.org](mailto:lbaker@usw.org) to have your contract listed. (The re-opener date is not the expiration date.)

Wausau Paper, Jay, ME, 4/1/09  
President Container, Moonachie, NJ, 4/1/09  
Burrows Paper Co., Little Falls, NY, 4/1/09  
International Paper, Georgetown, SC, 4/1/09  
Smurfit-Stone Container, Lithonia, GA, 4/1/09  
International Paper, Springhill, LA, 4/1/09  
Mohawk, Hamilton, OH, 4/1/09  
George A. Whiting Paper, Menasha, WI, 4/1/09  
Green Bay Packaging, Green Bay, WI, 4/1/09  
Caraustar Industries, Tacoma, WA, 4/1/09  
International Paper, Ticonderoga, NY, 4/1/09  
Wausau Paper, Brokaw, WI, 4/1/09  
International Paper, Savannah, GA, 4/2/09  
Smurfit-Stone Container, Humboldt, TN, 4/2/09  
Smurfit-Stone Container, Liberty, MO, 4/2/09  
Domtar, Owensboro, KY, 4/2/09

Smart Papers, Hamilton, OH, 4/2/09  
P.C.A., Grandville, MI, 4/2/09  
P.C.A., Vincennes, IN, 4/2/09  
Landaal Pkg/Flint Pkg., Flint, MI, 4/2/09  
Kimberly-Clark Corp., Neenah, WI, 4/2/09  
P.C.A., Minneapolis, MN, 4/2/09  
Kimberly-Clark Corp., Mobile, AL, 4/2/09  
Georgia-Pacific, Zachary, LA, 4/6/09  
Domtar, Johnsonburg, PA, 4/11/09  
Greif Brothers, Culloden, WV, 4/15/09  
Huhtamaki Company, Hammond, IN, 4/16/09  
Walter G. Anderson, Hamel, MN, 4/16/09  
Graphic Packaging, Solon, OH, 4/20/09  
Graphic Packaging, Phoenixville, PA, 4/20/09  
Smurfit-Stone Container, Cincinnati, OH, 4/20/09  
Smurfit-Stone Container, Ravenna, OH, 4/20/09  
Georgia-Pacific, Fort Dodge, IA, 4/20/09  
Genesee Pkg (Pit.#30), Flint, MI, 4/22/09  
Smurfit-Stone Container, Highland, IL, 4/24/09

## PCA Box Workers Have New Master Agreement

Box workers at 25 Packaging Corporation of America (PCA) facilities overwhelmingly ratified a five-year PCA/USW Box Facility Master Agreement April 6. The contract provides economic and contract protection for over 1,500 workers and their families.

The master agreement sets the pattern in wages, benefits and conditions of employment for contracts expiring in 2009, 2010 and 2011 and becomes effective upon the contract expiration dates. Contracts expiring in 2009 and 2010 will be renewed once for a five-year period. Those contracts with a 2011 expiration date will be automatically extended for two years.

Workers will receive wage hikes of 2%, 2.25%, 2.25%, 2.5% and 2.5% for 2009 and 2010 agreements, and the 2011 agreements will receive 2.5% for the two years of the extension. The defined benefit pension plan multiplier will be increased \$5 with \$2 of that increase upfront in the first year, and workers will receive substantial increases in short-term disability benefits and life/accidental death and dismemberment benefits. Best in industry medical and dental healthcare provisions are locked in through the term of the renewal agreement; some locations will see no changes in healthcare before 2015. Workers will continue to pay 20 percent of the

premiums for healthcare insurance.

### Contract Protection Clause

Immediately upon ratification of the master agreement, a contract protection clause (successorship) is immediately inserted into each local union contract. This clause says that should a plant be sold, leased, transferred or assigned, the union's contract stays in effect through the contract expiration.

There is also a code of conduct in the master agreement regarding organizing campaigns. Just over half of PCA's box facilities are organized. The code states that false or misleading statements, negative personal attacks, threats to close a facility and criticism of company officials' compensation or benefits will not be tolerated. Only factual information about policies, practices and procedures can be provided.

Local issues will still be negotiated between the local unions and management, but there will be no changes to the local contract except by approval of both parties.

For the first time in the history of bargaining for the PCA box facilities all local unions were involved in creating the pattern as opposed to the company setting the pattern and implementing it local by local.

# Arbitrator Reinstates Job Classification at GP Mill

Arbitrator Roberta J. Bahakel ruled March 20 in favor of Local 1865's grievance that Georgia-Pacific violated the contract by eliminating the 7th Hand classification at its Cedar Springs, Ga., mill. She ordered the position to be reinstated. Her decision means that GP can't eliminate positions without a legitimate business reason.

GP eliminated the 7th Hand position and reduced the number of car loaders per shift from three to two as part of its Rapid Transformation (RT) program. When Koch Industries bought GP in 2006 it hired an outside company to review the operation and staffing and make assessments about the mill operation's efficiency. Out of this assessment grew RT in May 2006.

GP reassigned the 7th Hand duties to other personnel and the car loaders had to do more work with fewer people. Local 1865 filed a grievance alleging that the work for those jobs remained in the plant and that the company violated the contract when it eliminated the jobs.

## Leaner Mill Wanted

The company argued that under the management rights clause in the contract it retained the right to manage the business and to determine and direct the work force, including the right to schedule and assign work. It said the purpose of the RT process was to make the mill leaner and more competitive.

The local argued the 7th Hand position had been negotiated into the contract over 40 years ago, there was no reduction in the workload for the position, the employees doing that job worked a full shift and the employees picking up the 7th Hand job duties already had a full complement of job duties.

Regarding the car loader position, the union said there had been three car loaders per shift for over 30 years and that there was a need for three people to properly do that job each shift.

In summary, the local said the company did not have the right to unilaterally eliminate job classifications without showing there is a lack of work in the classification, a change in technology, or a change in operations that support the elimination of a classification.

## Legitimate Business Reason Needed

Arbitrator Bahakel determined that GP had the right to reduce the size of the car loader crew under the provisions of Article III, the management rights clause, and she denied the union's grievance.

But regarding the elimination of the 7th Hand classification, she determined that Article III limits the right of management to unilaterally eliminate a job classification unless it can show a legitimate business reason for doing so. In reviewing the facts of the case, she said there was no evidence presented that showed there was any change in the amount or type of duties of the 7th Hand classification or any change in the processes or technology relating to the position that would establish a legitimate business reason for eliminating the classification. Based on this evidence, she ordered the classification to be reinstated.

Fortunately, enough people took the voluntary severance package that was offered under the RT program that the workers who lost their jobs because of the elimination of the 7th Hand classification and third car loader position did not get laid off.

# Georgia-Pacific Union Conference Holds First Nationwide Call

Georgia-Pacific (GP) local union representatives joined with International Vice President Jon Geenen, GP chair, March 26 to discuss the latest developments within the industry and company.

Geenen said that the union has lost 130 locals in the paper industry since the last National Paper Bargaining conference in April 2008. A bellwether for the rest of the economy, the paper sector's problems became evident when high quality assets—like NewPage's Kimberly, Wisc., mill—were being shut down, he said.

During discussion of the framework agreement, Geenen said the international is willing to set up a national gypsum council to improve coordination between the gypsum locals.

## Performance Pay Divisive

Problems with performance pay and spot pay bonuses were cited. Privately-held Koch Industries, which owns GP, believes in market-based management and feels spot pay bonuses should be expanded.

At the company's Green Bay, Wisc., plant, it was reported that spot pay is the most divisive issue within the member-

ship. Workers received spot pay ranging from about 1.8 % to 8% based on their individual perceived value to the company. Geenen said performance pay was supposed to be uniform across departments and spot pay was supposed to be for extraordinary performance. The local said that everyone was paid the same for performance pay the first year and during the second year there was individualized performance pay.

At the Mount Olive, Ill., plant, there is a problem with how performance pay is handled. The company has not met with the local union and international representative like it is supposed to under the agreement both parties signed regarding performance pay.

Problems were also cited regarding out-of-network health care costs, retiree health care and the loss of doctors under the United Healthcare plan on the West Coast.

To support the GP Conference, a directory was done and there is development of a Sharepoint manual. The website is up, [www.gpunionnews.org](http://www.gpunionnews.org), and newsletters are being done monthly (send story ideas to Howard Scott at [hscott@usw.org](mailto:hscott@usw.org)).

## Your Input is Needed

Pulp Truth covers news across the entire pulp and paper industry. Please help the newsletter improve its coverage by sending in a write-up about the issues, mobilization

activities and contract negotiations involving your local. You can email these stories to *Pulp Truth* editor Lynne Baker at [lbaker@usw.org](mailto:lbaker@usw.org) or you can mail them to Lynne Baker, USW, 3340 Perimeter Hill Drive, Nashville, TN 37211.

# Graphic Packaging Members Take a Stand

Graphic Packaging is mounting a coordinated attack against local unions as labor agreements reach expiration dates. Four bargaining units at five plants are working under expired agreements and continue in negotiations. Seven additional bargaining units at eight plants expire between June 2009 and January 2010.

At Graphic's two Wisconsin plants, management is demanding lower pension rates, restricted vacation rights for new hires and lower wages for at least half of all future workers. This two-tier scheme pits workers against workers and drives down existing wages and benefits everywhere. At all Graphics facilities the company is refusing to make any increase in the defined pension multiplier.

While the company claims it needs these changes to remain competitive, the facts are the company has announced four plant closings this year, and each facility had already bowed to the company's demands. The true reason for any closure is a poor economy and market forces, including customer demand and the inability to produce product efficiently. USW members have sent the message to the company that workers are the solution, not the problem and our member-

ship is willing to work with them to make the facilities more efficient, but the company's current plan is insufficient, and indeed, unnecessary.

## Company Propaganda

The company's propaganda refers to its offers as "non-concessionary" and "competitive," but the facts are much different.

The USW has reached agreements with three industry competitors—MeadWestvaco converters, Rock-Tenn and PCA Box—that contain better wages, benefits and contract language than what the union has said it would accept at Graphic Packaging.

In a recent handbill the local said members will vote to ratify a contract by secret ballot referendum when the company gives them a non-concessionary offer and it is not an "insult" and the information necessary to bargain.

Solidarity works and union members at Graphic Packaging refuse to be second-class paperworkers. The bottom line is that the workers deserve a fair and reasonable agreement with gains, unless Graphic can show why they deserve less. So far the company has refused to provide this information.



# Graphic Packaging Lays Off 30 Workers

Graphic Packaging began laying off 30 of its workers at its Wellsburg, W.Va., plant April 6, reported TV station WTRF. The company's production of food packaging products and bags is being curtailed.

USW local spokesman Alan Sampson told the station that the union has a commitment from the company to remain in Wellsburg. He said the layoffs are a direct result of the poor economy.



# Employee Free Choice Act Benefits Paper Workers

Paper workers stand to benefit if the Employee Free Choice Act (EFCA) is passed. This legislation would make it easier for workers to unionize. If a majority of workers at a facility signed authorization cards, they would automatically have their union and could start bargaining for a contract. These workers could also choose to sign cards and have a secret ballot election. They could choose how to form their union, not the employer. Penalties would increase for employers who fire a union supporter and engage in other intimidation and coercive activities. Mandatory arbitration would be done if a first contract is not reached within 120 days.

## GP Workers Struggle for First Contract

The need for EFCA is exemplified by the struggle Georgia-Pacific workers have had to get a first contract at the company's Wheatfield gypsum plant in Valparaiso, Indiana. Workers there formed their union two years ago and the company has stalled and refused to reach an agreement. During this time GP has unfairly disciplined union supporters and fired a key activist for using the company "hotline" to address a complaint on behalf of his co-workers.

The USW has filed numerous charges against Georgia-Pacific with the National Labor Relations Board for illegal

discipline, termination and other practices.

In response to modest, reasonable union proposals, the company has insisted on wage and benefit concessions, despite earning over a \$40 million profit. Koch Industries, which owns GP, ideologically believes in a laissez-faire economy and market-based management.

The gypsum plant workers and their labor supporters held a rally March 31 to urge GP to reach a fair agreement.

## Big Business Opposition

The Chamber of Commerce and Big Business have come out against EFCA, spending millions to distort the truth about the legislation. Wal-Mart, of course, is opposed to it. Home Depot Inc. Chairman and Chief Executive Frank Blake said, "We don't think it's a good thing for the country, never mind for The Home Depot." Readers might want to consider other places to purchase their goods.

If you are a paper worker who lives in Arkansas, Louisiana, Nebraska and Colorado, you might want to contact your Democratic Senators who have not committed to EFCA yet. The national AFL-CIO is mobilizing members in these states to get these Senators on board. Sixty votes are needed to override a Republican-led filibuster.

## White Pigeon Paper Co. Workers Obtain Contract after Striking

USW Local 1034 signed a five-year contract March 16 with White Pigeon Paper Co. in White Pigeon, Mich., after going on strike for a week and unconditionally returning to work. The company said it would have brought in new workers to meet customer orders if the strike had gone beyond a week.

David DiBiaggio, company vice president and general manager, told the *Kalamazoo Gazette* that “less skilled workers” will receive 1 percent pay hikes in each of the first three

years, then 2 percent raises in the final two years. The company’s “higher skilled” work force will get 2 percent raises in each of the five years. Health care premiums will continue to be paid 70 percent by the company and 30 percent by the workers. The contract specifies the costs of the workers’ premiums will not increase by more than 30 percent over the five years. The contract’s language extends for three years, with two, one-year extensions.



## Crane Accident Kills IP Wood yard Worker

The *Augusta Chronicle* reported that an International Paper (IP) wood yard employee was killed Feb. 2 at the Augusta, Ga., mill when he was struck by a timber loading crane. The metal cage of the crane struck Bill Drake, 66, while he was attempting to clear wood debris along train tracks. Drake, a 43-year employee at the mill, was pronounced dead at the scene.

The crane’s audio and visual warning devices were working at the time of the incident. OSHA is conducting an investigation, which must be completed within six months or less, and the findings become public upon completion, the

*Augusta Chronicle* reported.

An online OSHA database stated the IP coated containerboard mill and fiber supply facility has a good safety record with no reported serious accidents during the last five years. A 2008 inspection yielded no fines or violations.

Since 2004, the plant was inspected twice in response to complaints, according to the records. An inspection in 2005 resulted in one citation for a minor violation and one for a “serious” violation, involving guarding floor and wall openings, that was later settled for \$3,750.



## Fatal Injury at Smurfit-Stone Florida Mill

There was a fatal injury at Smurfit-Stone’s Fernandina Beach, Fla., mill on March 10 during day four of an outage that was expected to last into the following week.

Journeyman electrician Daniel Bowen, a member of the electrical workers’ union, reportedly was assisting on a lock-out tag out at a substation of a cooling tower around 11 p.m. He was working alone at the scene.

Around 11:20 p.m., Bowen was found lying near an open panel door containing 2,300 volts of electricity. Paramedics were summoned and tried to revive him. He was pronounced dead at 12:25 a.m. on March 11.

Bowen leaves behind a wife and two children. He worked for Smurfit-Stone since 1996.

OSHA is investigating the incident.



## Fire at GP Mill Quickly Contained

A fire within bales of recycled cardboard at Georgia-Pacific’s Big Island paper mill March 25 was quickly contained without threatening any structures or employees, reported *The News & Advance* in Lynchburg, Va.

The cardboard sits on a pad which is isolated from other

structures and is surrounded by water cannons in case of fire. Fire crews worked for several hours at the scene wetting down the cardboard and making sure the smoldering remains did not flare up.

The cause of the fire or whether an investigation will be done was not mentioned by the newspaper.



## Former Maine Georgia-Pacific Pulp Mill Reopens

The former Georgia-Pacific mill in Old Town, which was bought by Red Shield Environmental that went bankrupt, has a new owner with adequate capital to keep the facility running. Patriarch Partners of New York purchased the pulp mill and has renamed it Old Town Fiber and Fuel. The facility will continue to produce electricity and pulp, and has long-term plans to create jet fuel from wood products. The company is rehiring its 170 workers, many of whom have been

unemployed since last summer.

The mill will continue to work with the University of Maine’s engineering department to extract ethanol from woodchips, and is the only facility where the pre-extraction technology is deployed on a commercial scale. Jet fuel is eventually expected to be produced as a complement to Patriarch Partners’ helicopter manufacturing business in Arizona.

# Domtar to Idle Pulp Mill in Maine and Shutdown Machine in North Carolina

Domtar Corp. plans to idle its pulp mill in Baileyville, Maine, beginning May 5 for an indefinite period, reported *Bloomberg News*. The company said decreasing Chinese demand for wood pulp forced it to indefinitely shut down the facility, which has an annual production capacity of 398,000 metric tons and employs more than 300 workers.

At Plymouth, North Carolina, the company announced in February that it would shut down the #5 paper machine, leaving the mill with an older #4 machine that produces book

paper, a #2 fluff pulp machine and a sheeter that must convert paper from other mills.

A company spokesman said the future of the Maine mill depends on market conditions. The company and the USW are looking for ways to preserve the Plymouth operation into the future. The global economic crisis has caused demand for pulp and paper products to drop. Historically high inventory levels and depressed prices have also taken their toll and caused Domtar and its competitors to cut output.



## Wausau Calls it Quits at its Mill in Maine

Otis paper mill in Jay, Maine, is the latest casualty of the recession. The *Sun Journal* reported April 2 that the mill's owner, Wausau Paper, will sell the property and the equipment within it.

The company said the high cost of operating the mill, along with the recession and other factors prompted the decision to close the facility permanently on May 31, putting about 96 workers out of jobs. They join the nearly 100 workers who were laid off 15 weeks ago when the company shut down its other paper machine.

Mike Castaneda, president of Local 4-0011, told the newspaper that the announcement was a surprise. "We thought

things were doing better," he said.

He said the company told him it was going to sell the mill but not to any paper company in North America.

A company spokesman said the mill may stay open past the May deadline with minimal staffing to help close up the building. He said customer orders between now and May 31 will determine the last day of operation for the remaining No. 11 paper machine. After the shutdown, customer orders for the specialty products made at the mill will be shifted to two of Wausau's mills, Mosinee and Rhinelander in Wisconsin, he said.



## International Paper Closes Scottish Inverurie Mill

International Paper Co. shut down its Inverurie mill in Aberdeenshire, Scotland at the end of March, costing 371 paperworkers their jobs, reported the ICEM newsletter.

During the 90-day mandatory consultation period, Unite the Union and local politicians found potential buyers for the last uncoated freesheet paper mill in the UK. IP's refusal to consider selling the mill prompted Unite Assistant General Secretary Tony Burke to say it was the intention of the com-

pany from the beginning to close the facility and replace British paper production with paper made in Brazil, Poland or Russia.

Thomas Tait, whose family started the mill in 1852, said he had been involved three times in various plans to re-purchase the mill and that IP steadfastly said "no" to a sale. He said the Inverurie situation should be used to change British legislation so that a sale has to occur when a buyer intends to produce the same or a similar product.



## Covington Paperworkers Union Appeal's Judge's Decision

Lawyers for Covington Paperworkers Union Local 675 appealed administrative law judge Eric Fine's decision last January to sustain three of the USW's labor board charges and conduct a new election at the MeadWestvaco paper mill in Covington, Va.

They have asked the National Labor Relations Board (NLRB) to reverse his decision and uphold the March 12, 2008 election results. CPU obtained 465 votes and the USW got 451 in an election to determine which union should represent the nearly 1,000 union workers at the mill.

After the election, the USW alleged that members and officers of the CPU engaged in electioneering misconduct prior to the election. The CPU took photos and video of members at a pre-election USW rally. CPU's lawyers

claimed that this activity was not intended to be intimidating, focused on CPU members and was a common practice to document the local's campaign activities.

"The CPU has the legal right to file an appeal, although we feel the judge decided correctly that the CPU failed to have a fair and untainted election last March," USW Local 8-675 President Bobby Harrison said to the *Roanoke Times*.

"Due to the economics crisis, we feel CPU is prolonging the inevitable favorable USW re-vote. If CPU truly has majority support, why didn't they agree to an untainted re-vote now instead of later?" he said.

The *Roanoke Times* reported that it is unclear how long it might take for the NLRB to review the appeal and that the five-member board has three vacancies.